



Department of Energy
Savannah River Operations Office
P.O. Box A
Aiken, South Carolina 29802

JUL 21 1999

Dr. Lawrence Brede, Jr., Senior Vice President
and General Manager
Wackenhut Services, Incorporated
Aiken, SC 29802

Dear Dr. Brede:

SUBJECT: Award Fee Determination for January 25 through May 31, 1999, Award
Fee Period I of Contract DE-AC09-99-SR18950

I have completed my evaluation of the Wackenhut Services Incorporated - Savannah River Site (WSI-SRS) contract performance and determined your award fee based on the three principal areas of the Award Fee Plan.

As the Fee Determination Official for the Savannah River Operations Office, I am writing to inform you that WSI-SRS earned 100% of the available \$1,000,000.00. Overall, and as measured using established rating criteria, WSI-SRS demonstrated a superior level of performance and corporate leadership this period in fulfillment of expectations as described below.

WSI-SRS personnel demonstrated their ability to successfully execute Security Incident Response Plans and accomplish the protection mission. This was demonstrated during the annual force-on-force performance tests conducted at the 200-F Separations Area and 100-K Reactor Area in support of the current Site Safeguards Security Program (SSSP). Additionally, WSI-SRS conducted an extra scenario to provide data to the K-Area Material Storage (KAMS) Vulnerability Assessment Group. As part of the preparation and execution of the performance tests, the adversary group used a full array of weapons and equipment to assault the facilities as defined in the DOE Design Basis Threat (DBT). The result of the tests indicated that WSI-SRS response times were well within the parameters defined in the local vulnerability assessment guidance. No accidents or injuries were sustained from the performance tests, which speaks to the proper planning and execution associated with the Performance Testing Program.

WSI-SRS remains a key player in site planning to ensure Y2K computer system compliance on the SRS. All six mission essential and seven of eight non-mission essential Y2K projects were completed by the Office of Management and Budget (OMB) implementation milestone of March 31, 1999. The lone exception was WSI-14, Joint Tactical Simulation (JTS) system, a force-on-force simulation system. A software upgrade, Joint Conflict and Tactical Simulation (JCATS) system, has been issued to WSI-SRS for Y2K compliance testing and evaluation.

JUL 21 1999

WSI-SRS protective personnel supported several high-profile tours and visits during this rating period, including the South Carolina Governor's Cup Team, the Savannah River Technical Center External Review Committee, the Access Control Systems Quality Panel, the ISMS Review Team, DOE-HQ OSE team, South Carolina Governor's Staff visit, Chairman of the Nuclear Regulatory Commission, DOE Nuclear Materials Management Forum, Leadership Augusta, and the Tritium 2000 Technical Steering Committee. All visits were handled professionally and expeditiously while ensuring that national security interests were not jeopardized.

WSI-SRS transitioned from a prior Management and Operating Contract to the current Service Contract during this period with no major problems. The transition entailed developing new baselines, contract modifications to de-obligate funding under the prior contract and to secure funding under the new contract. A quarterly Estimate at Completion (EAC) Review was conducted to determine changes in standard practices.

WSI-SRS continued their contribution to site cost savings/avoidance through various initiatives such as the conduct of one iteration of the Central Training Academy certified Curriculum Design class and two iterations of the Basic Instructor training class in May 1999. A total of 16 students attended. By conducting these courses on site, the Government realized a cost avoidance of approximately \$32,000.

WSI-SRS created a Healthcare Cost Containment Committee. On March 5, 1999, negotiators for Georgia Carolina Health Partners representing University Hospital, St. Joseph's Hospital and their Physicians Health Organizations, signed an agreement with Aetna/U. S. Healthcare, the network administrators for the Greater Augusta-Aiken Area Healthcare Coalition. The agreement provides Coalition members with access to all four Augusta hospitals and over 900 physicians in the provider network, and broadens the base of providers available to WSI-SRS employees.

In March, WSI-SRS became the first site contractor to transition from a conventional to trunked radio system. Due to prior planning and coordination, the transition was achieved with no degradation or lapse in communication capabilities for the protective force. The new system incorporates digital narrow band technology with upgraded encryption and provides improved range and voice clarity with additional capabilities for use in a variety of contingencies. In addition, 75 of the replaced radios, valued at \$116,500, will be used in other applications.

During this period, the Assistant Secretary for Environment, Safety and Health officially approved WSI-SRS STAR status in the Voluntary Protection Program. STAR status is the highest VPP achievement level, and is awarded to organizations that promote safety and health excellence through cooperative efforts among labor, management and government. The award reflects the safety culture and performance established by the management and employees at WSI-SRS. WSI-SRS is the only security contractor within the DOE Complex to achieve STAR Status.

DOE-SR validated WSI-SRS' Integrated Safety Management System (ISMS) through a combined Phase I and II assessment. The assessment concluded that WSI-SRS implemented an effective ISMS and recommended approval of the ISMS Description. As SR Manager, I approved the WSI-SRS ISMS Description.

On February 4, 1999, WSI-SRS participated in a site-wide ISO 14001 Environmental Management System (EMS) Re-certification audit. The audit was conducted by KEMA, the DOE-SR third party ISO 14001 auditing organization. KEMA officials interviewed WSI-SRS Environmental Protection Department (EPD) personnel, and reviewed documentation to validate a previous audit finding. The KEMA auditors validated the corrective action, and determined that WSI-SRS was in compliance with the ISO 14001 standards. The WSI-SRS EMS was re-certified under the DOE-SR site-wide ISO 14001 program.

The WSI-SRS Aviation Operations Department provided support to the Savannah River Natural Resource Management and Research Institute (U. S. Forest Service) for controlled burns on SRS forestlands on March 22, 1999. This was the first iteration for controlled burn work since WSI-SRS obtained FAA Part 133 and 137 certifications, and continues to be a cost savings for the Government. Approximately 85 flight hours have been expended toward this program. This equates to a savings in excess of \$50,000 for the U. S. Forest Service based on flight hour costs. The U. S. Forest Service has expressed their complete satisfaction with WSI-SRS' conduct of operations. The FAA office in Columbia S.C. conducted an annual Main Base Inspection required for Part 135 certificate holders in February 1999 followed by a flight evaluation of the WSI Chief Pilot in April 1999. These inspections included all aspects of training, record keeping, maintenance and overall safety. All inspections were completed satisfactorily and WSI-SRS continues to receive complimentary remarks from the FAA.

WSI-SRS implemented the 1999 Safety and Health Employee Achievement Award Program which is designed to recognize employees actively contributing to continuous improvements in Safety and Health. Employee involvement is key to the success of the program and is recognized upon successful completion of defined milestones.

WSI-SRS published a new standard procedure to establish policy, assign responsibilities, and define the sequence of actions associated with the WSI-SRS Subcontractor Safety Management Program. This procedure provides a mechanism for the flowdown of necessary environment, safety, and health requirements to subcontractors at any level to which WSI-SRS determines such requirements apply.

On April 20, 1999, Mr. Sylvester Daughtry, Executive Director of the Commission on Accreditation for Law Enforcement Agencies (CALEA), Inc., formally presented re-accreditation to WSI-SRS. The assessment for re-accreditation covered approximately 170 standards to include interviews with Law Enforcement, Reports and Analysis, the Law Enforcement Dispatch Center, Aviation Operations Department (AOD), and Special Response Team (SRT) personnel. WSI-SRS was the first private security organization to achieve accreditation by CALEA.

JUL 21 1999

On April 21-24, 1999, WSI-SRS Canine Teams David Harman and "Rocky," Bret Neal and "Mario," and Jeff Dumouchel and "Tiger" participated in the United States Police Canine Association Regional Patrol Dog Trials in Tarboro, N.C. David Harman and "Rocky" earned first place awards in Overall Individual Team Events, Agility, Suspect Search and Criminal Apprehension. Bret Neal and "Mario" won second place in Article Search, and Jeff Dumouchel and "Tiger" earned third place in Article Search. The accomplishment of these canine teams validates the effectiveness of the canine program in protecting SRS assets.

WSI-SRS implemented a comprehensive site-specific curriculum for the Nuclear/Biological/Chemical - Weapons of Mass Destruction (NBC-WMD) response program. Lesson plans were approved and implemented, and the SRT Commander has initiated limited scope performance tests to evaluate shift capabilities in responding to an NBC-WMD threat. WSI-SRS continues to lead the DOE complex with NBC-WMD implementation, as evidenced by the publication of a Lessons Learned to other DOE Sites for assistance in the development of their NBC-WMD program.

With DOE-SR approval, WSI-SRS continued to support offsite requests for operational and technical assistance in the surrounding communities. Canine explosives detection support was provided to the Aiken County Sheriff's Department, Columbia County Sheriff's Department, Aiken Department of Public Safety (ADPS), and the South Carolina State Law Enforcement Division. Additionally, DOE-SR approved and WSI-SRS provided assistance in the training and qualification of 22 officers from the ADPS at the SATA Range. This session allowed the officers to meet South Carolina Firearms requalification requirements. WSI-SRS continues to demonstrate community involvement through activities such as fund-raisers for the America Heart Association and the 1999 March of Dimes Walk America event. A WSI-SRS employee has taken a leadership position within the CSRA Diversity Forum as Chairman of the Board of Directors. WSI-SRS was a silver-level sponsor of the CSRA Diversity Forum's Community Conference held on February 23-24 in Aiken, SC.

For the second consecutive year, WSI-SRS earned the South Carolina Governor's Quality Gold Achiever Award which is the state's second highest quality award. On April 29, 1999, South Carolina Governor Jim Hodges presented the Award to WSI-SRS at the annual conference of the South Carolina Quality Forum. The purpose of the South Carolina Award process is to promote the use of quality management systems, share successful quality management strategies, promote self-assessment via an objective review, and publicly recognize outstanding achievement in the development and implementation of quality management systems.

WSI-SRS has been actively involved in the formation of a Savannah River Site Alternative Dispute Resolution Working Group (ADRWG). The group is composed of members from DOE-SR, Westinghouse Savannah River Company, and WSI-SRS. The ADRWG will provide an opportunity for those in the Alternative Dispute Resolution (ADR) field to enhance their knowledge and skills, receive formal training opportunities, and share lessons learned from their respective organizations. In addition, WSI-SRS has been selected as a

Dr. Lawrence Brede, Jr.

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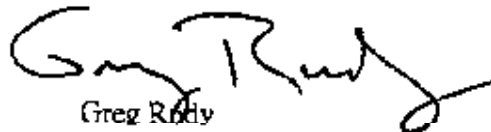
JUL 21 1999

presenter at the upcoming Society of Professionals in Dispute Resolution (SPIDR) Conference in Baltimore, MD. This is a first for an SRS organization. At the conference, WSI-SRS will present an overview of the Conflict Resolution Training program that they have presented to their supervisors and union stewards.

In March 1999, WSI-SRS submitted a comprehensive application for the DOE Equal Employment Opportunity and Diversity Award for Progress. On May 12, 1999, the award was presented to WSI-SRS by DOE Headquarters at the DOE's Annual Diversity Conference in Las Vegas, NV. The award outlined the significant progress that WSI-SRS has made in creating an inclusive work environment that values the diversity of its employees.

In summary, your achievements during this period are clearly superior with no notable deficiencies. Thank you for your continued excellent work in support of the missions at the Savannah River Site.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Rudy", with a stylized flourish at the end.

Greg Rudy
Manager

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